GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:664
ANSWERED ON:26.07.2001
IMPORT-EXPORT OF AGRICULTURAL PRODUCTS
MADAN PRASAD JAISWAL;UTTAMRAO DEORAO PATIL

Will the Minister of AGRICULTURE be pleased to state:

(a) whether a long term policy in regard to import and export of agricultural goods/ products under W.T.O. agreement has been made;

(b) if so, the comprehensive details thereof; and

(c) the steps taken to safeguard the interest of Indian farmers?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI SHRIPAD Y. NAIK)

(a): Yes, Sir.

(b): The long-term Import Policy on agricultural commodities has the following salient features:

? Import of agricultural products like wheat, rice, maize, other coarse cereals, copra and coconut oil have been placed in the category of State Trading. The nominated State Trading Enterprise will conduct the importsof these commodities solely as per commercial considerations.

? Care has been taken to ensure a level playing field to domestic producers vis-Ã -vis imports. In conformity with the `National Treatment Principle` of GATT, imports have also been made subject to the following domestic regulations;

- Import of all food products will be subject to compliance of all the provisions of Food Adulteration Act and Rules thereunder;

- Import of meat and poultry products will be subject to compliance of all the provisions of Meat Food Product Order;

- Import of tea waste will be subject to compliance of Tea Waste (Control Order);

- No import of textile material using the prohibited dyes like azo dye shall be allowed. For this purpose, a pre-shipment inspection certificate has been made mandatory.

? To ensure that import of agricultural products do not lead to unwanted infiltration of exotic diseases and pests in the country, it has been decided to subject import of primary products of plant & animal origin to `Bio Security & Sanitary and Phyto-sanitary Permit`to be issued by Department of Agriculture & Cooperation. This permit will be based on import Risk analysis of the product to be conducted on scientific principles, in accordance with the WTO Agreement on Application of Sanitary and Phyto-Sanitary Measures.

The long term Export Policy lays stress on the promotion of agricultural exports.The Policy envisages the creation of Agri Export Zones for the end to end development for export of specific products from a geographically contiguous area. These zones are to be identified by the respected State Government who would also evolve a comprehensive package of services such as provision of pre/post harvest treatment and operations, plant protection, processing, storage and related research and development. The agro sector would also be able to avail of the Exim Policy Schemelike Duty Exemption Scheme and Export Capital Goods Scheme.The recent Exim Policy announced by the Government, on the 31st March, 2001, also envisages theentitlement of Agri-exporters for recognition as Export House/Trading House/StarTrading House/Super Star Trading House on achieving 1/3rd of the threshold limit prescribed for exports of other goods.

(c): In addition to the safeguards envisaged by the new EXIM Policy, in order toregulate the indiscriminate imports of agricultural commodities, the WTO Agreement on Agriculture already provides for suitable calibration of the applied rates thereon within the bound rates and initiation of trade remedial measures including anti-dumping action, imposition of countervailing action or safeguard action under specific circumstances provided under the Agreement. India has also demanded the elimination of export subsidies by the developed countries and separate safeguard measures in its negotiating proposal to further insulate the domestic farmers against the surge of subsidized and indiscriminate imports of agricultural products into the country.